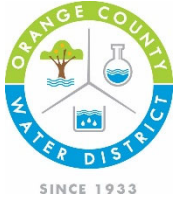




**CMUA**  
CALIFORNIA MUNICIPAL UTILITIES  
ASSOCIATION



**California Special  
Districts Association**  
*Districts Stronger Together*



August 4, 2022

## **ALERT – SB 361: OPPOSE UNLESS AMENDED**

The statewide and Orange County entities listed above, respectfully, have an “oppose unless amended” position on Senate Bill 361 (Umberg). SB 361 would place new provisions into the Surplus Land Act (SLA). While the bill has been narrowed from its initial statewide focus to only be applicable to certain Orange County local agencies, there remain provisions in the bill that create a concerning precedent for all California local agencies. Specifically, because SB 361 includes references to leases, the bill would establish precedent that leases are subject to the SLA.

Removing and excluding references to leases would in no way compromise or otherwise impact the intent for this legislation to address the planned sale of surplus land by the County of Orange or any city located within Orange County. However, including any reference to leases in the bill would be inconsistent with the clear, established legislative intent for the meaning of disposal of surplus land that is subject to the requirements of the SLA.

Local agencies routinely enter into leases for a variety of purposes that support our work or operations and that do not relate to the purposes of the SLA. Examples include a cell tower lease, a lease to a nonprofit for office space because that nonprofit is partnering with a local government to further a governmental purpose, and a short-term lease of park space.

The Legislature did not intend to subject leases by a local agency to the requirements of the SLA, and the clear, established intent of the Legislature is not to apply the requirements of the SLA for surplus land to

leases. For example, in 2019, as introduced, AB 1486 (Ting) proposed to define “dispose of” as the sale, lease, transfer, or other conveyance of any interest in real property owned by a local agency. Members of our coalition and many other local agencies opposed this proposed broadening of the meaning of “dispose of,” and leases were amended out of the bill before it became law.

The SLA imposes various requirements on local agencies that propose to dispose of surplus land. We do not take issue with SB 361’s proposed requirements for a local agency disposing of a parcel that has received a notification from the Department of Housing and Community Development that the local agency is in violation of the SLA.

**We respectfully request that any references to leases be removed and excluded from SB 361 for consistency with the language and intent of the SLA.** Until references to leases are removed from the bill, we respectfully oppose SB 361 unless it is amended.